

Exhibit 300: Capital Asset Plan and Business Case Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview

1. **Date of Submission:** 2011-02-22
2. **Agency:** 007
3. **Bureau:** 97
4. **Name of this Investment:** Key Management Infrastructure
5. **Unique Project (Investment) Identifier (UPI):** 007-97-05-08-01-1030-00
6. **What kind of investment will this be in FY 2012?:** Full Acquisition
 - Planning
 - Full Acquisition
 - Operations and Maintenance
 - Mixed Life Cycle
 - Multi-Agency Collaboration
7. **What was the first budget year this investment was submitted to OMB?** FY2001 or earlier
8.
 - a. **Provide a brief summary of the investment and justification, including a brief description of how this closes in part or in whole an identified agency performance gap, specific accomplishments expected by the budget year and the related benefit to the mission, and the primary beneficiary(ies) of the investment.**

Key Management Infrastructure (KMI) is a unified, scalable, interoperable, and trusted infrastructure that provides net-centric key management services to systems that rely on cryptography, serving DoD and the broader cryptographic community. KMI will provide Type 1 key management operations over IP networks; enable start of the transition from Electronic Key Management System (EKMS) to KMI; and initiate the use of modern and advanced key management services, yet continues existing services. KMI CI-3 provides full cryptographic modernization as end cryptographic unit support. KMI CI-3 has not yet been baselined. The KMI CI-2 contract was awarded July 31, 2007 to General Dynamics C4 Systems for Spiral 1 development. Spiral 2 will be developed in Spins following an Agile Software methodology and is being competed to ensure that the Industry base executing the program has Agile experience. Spiral 2 will add user functionality that will allow all EKMS users to transition to KMI and deliver critical capabilities and benefits to the warfighter more rapidly. Contract award is projected in September 2011. To support the Cryptographic Modernization (CM) Mission Area Needs Statement (MNS) objectives and the Global Information Grid (GIG) Information Assurance (IA) strategy, development of the DoD KMI is a critical foundation element for ensuring an adequate security posture for national security systems by providing transparent cryptographic capabilities consistent with operational imperatives and mission environments. As a critical enabler to CM MNS objectives and the GIG IA strategy, the DoD KMI will be realized by the steady rollout of spirals to deliver time-phased capability increments (CIs) toward end-state IA objectives consistent with the overarching GIG and CM capability requirements. The focus of KMI CI-2 is to build the foundation for the future management of Type 1 and 2 key in a general-purpose networking environment. KMI CI-2 provides Type 1 and 2 key management services and cryptographic products to human users and devices (hereinafter referred to as supported or security-enabled) to enable secure communications. The objectives for KMI CI-2 are: (1) Establish a secure net presence for KMI for Type 1 and 2 Key Management; (2) Enable customer transition from the EKMS to KMI; (3) Provide web-based key ordering for all key types; and (4) Provide Over-the-Network-Keying (OTNK) directly to KMI-Aware End Cryptographic Units (ECUs).
 - b. **Provide any links to relevant websites that would be useful to gain additional information on the**

investment including links to GAO and IG reports.

Title	Link
NONE	

9.

- a. Provide the date of the Agency's Executive/Investment Committee approval of this investment.
2007-04-16
- b. Provide the date of the most recent or planned approved project charter. 2009-09-18

10. Contact information?

- a. Program/Project Manager Name: *
Phone Number: *
Email: *
- b. Business Function Owner Name (i.e. Executive Agent or Investment Owner): Charles G. Stein
Phone Number: *
Email: *

11. What project management qualifications does the Project Manager have? (choose only one per FAC-P/PM or DAWIA): Project manager has been validated according to FAC-P/PM or DAWIA criteria as qualified for this investment.

- Project manager has been validated according to FAC-P/PM or DAWIA criteria as qualified for this investment.
- Project manager qualifications according to FAC-P/PM or DAWIA criteria is under review for this investment.
- Project manager assigned to investment, but does not meet requirements according to FAC-P/PM or DAWIA criteria.
- Project manager assigned but qualification status review has not yet started.
- No project manager has yet been assigned to this investment.

Section B: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.B.1: Summary of Funding
(In millions of dollars)

(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)

	PY-1 and earlier	PY 2010	CY 2011 (CY Continuing Resolution)	BY 2012	BY+1 2013	BY+2 2014	BY+3 2015	BY+4 and beyond	Total
Planning:	*	*	*	*	*	*	*	*	*
Acquisition:	*	*	*	*	*	*	*	*	*
Planning & Acquisition Government FTE Costs	*	*	*	*	*	*	*	*	*
Subtotal Planning & Acquisition(DME):	*	*	*	*	*	*	*	*	*
Operations & Maintenance:	*	*	*	*	*	*	*	*	*
Disposition Costs (optional):	*	*	*	*	*	*	*	*	*
Operations, Maintenance, Disposition Government FTE Costs	*	*	*	*	*	*	*	*	*
Subtotal O&M and Disposition Costs (SS):	*	*	*	*	*	*	*	*	*
TOTAL FTE Costs	*	*	*	*	*	*	*	*	*
TOTAL (not including FTE costs):	*	*	*	*	*	*	*	*	*
TOTAL (including FTE costs):	*	*	*	*	*	*	*	*	*
Number of FTE represented by	*	*	*	*	*	*	*	*	*

Table I.B.1: Summary of Funding
(In millions of dollars)

(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)

	PY-1 and earlier	PY 2010	CY 2011 (CY Continuing Resolution)	BY 2012	BY+1 2013	BY+2 2014	BY+3 2015	BY+4 and beyond	Total
Costs:									

2. Insert the number of years covered in the column “PY-1 and earlier”: 4

3. Insert the number of years covered in the column “BY+4 and beyond”: *

4. If the summary of funding has changed from the FY 2011 President’s Budget request, briefly explain those changes:

*

Section C: Acquisition/Contract Strategy (All Capital Assets)

1.

Table I.C.1 Contracts Table

Contract Status	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	Solicitation ID	Alternative financing	EVM Required	Ultimate Contract Value (M)	Type of Contract/Task Order (Pricing)	Is the contract a Performance Based Service Acquisition (PBSA)?	Effective date	Actual or expected End Date of Contract/Task Order	Extent Competed	Short description of acquisition
Awarded		H9823007C1035			*	*	\$244,000,000.0	Cost Plus Award Fee	Y	2007-07-31	2011-08-31	Full and Open Competition after exclusion of sources	Key Management Infrastructure Development Contract. Develop the KMI system providing the Warfighters with a single automated, network accessible electronic-based key management enterprise.
Awarded		H9823008D0161			*	*	\$225,000.0	Cost Plus Award Fee	Y	2010-10-31	2011-09-30	Full and Open Competition after exclusion of sources	Contractor Support for KMI Acquisition Team
Awarded		Internal			*	*	\$1,500,000.0	Other (none of the above)	N	2010-11-18	2011-09-30	Not Available for Competition	Provides funds to JITC for KMI CI-2 development

Table I.C.1 Contracts Table

Contract Status	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	Solicitation ID	Alternative financing	EVM Required	Ultimate Contract Value (M)	Type of Contract/Task Order (Pricing)	Is the contract a Performance Based Service Acquisition (PBSA)?	Effective date	Actual or expected End Date of Contract/Task Order	Extent Completed	Short description of acquisition
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evaluation
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operational
and

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

*

3.

- a. Has an Acquisition Plan been developed? If yes, please answer the questions that follow *
- b. Does the Acquisition Plan reflect the requirements of FAR Subpart 7.1 *
- c. Was the Acquisition Plan approved in accordance with agency requirements *
- d. If "yes," enter the date of approval? *
- e. Is the acquisition plan consistent with your agency Strategic Sustainability Performance Plan? *
- f. Does the acquisition plan meet the requirements of EOs 13423 and 13514? *
- g. If an Acquisition Plan has not been developed, provide a brief explanation.

*

Part II: IT Capital Investments

Section A: General

1.
 - a. Confirm that the IT Program/Project manager has the following competencies: configuration management, data management, information management, information resources strategy and planning, information systems/network security, IT architecture, IT performance assessment, infrastructure design, systems integration, systems life cycle, technology awareness, and capital planning and investment control. yes
 - b. If not, confirm that the PM has a development plan to achieve competencies either by direct experience or education. yes
2. Describe the progress of evaluating cloud computing alternatives for service delivery to support this investment. KMI operates within a Type 1 HAIPE Virtual Private Network (VPN) on SIPRNET; as such it is impossible for KMI to make use of cloud resources outside the VPN. KMI PMO is looking at potential opportunities to incorp cloud computing in future spirals.
3. Provide the date of the most recent or planned Quality Assurance Plan 2007-09-25
4.
 - a. Provide the UPI of all other investments that have a significant dependency on the successful implementation of this investment.
 - b. If this investment is significantly dependent on the successful implementation of another investment(s), please provide the UPI(s).
5. An Alternatives Analysis must be conducted for all Major Investments with Planning and Acquisition (DME) activities and evaluate the costs and benefits of at least three alternatives and the status quo. The details of the analysis must be available to OMB upon request. Provide the date of the most recent or planned alternatives analysis for this investment. 2005-06-08
6. Risks must be actively managed throughout the lifecycle of the investment. The Risk Management Plan and risk register must be available to OMB upon request. Provide the date that the risk register was last updated. 2011-01-04

Section B: Cost and Schedule Performance

Table II.B.1. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline:

Description of Activity	DME or SS	Agency EA Transition Plan Milestone Identifier	Planned Cost (\$M)	Actual Cost (\$M)	Planned Start Date	Actual Start Date	Planned Completion Date	Actual Completion Date	Planned Percent Complete	Actual Percent Complete
Key Management Infrastructure, Capability Increment 2, Spiral 1, Initial Operating Capability.	DME	*	\$240.1	\$237.5	2007-07-31	2007-07-31	2011-08-31		93.00%	91.00%
Capability Increment 2, Full Operational Capability (FOC) – EKMS Local Management Device (LMD)/Key Processors (KPs) replaced by KMI Client Nodes. Requirements definition for Spiral 2 in process with Spiral 2 contract award scheduled for August 2010.	DME	*	\$54.0	\$0.0	2010-12-31		2014-04-30		0.00%	0.00%

2. If the investment cost, schedule, or performance variances are not within 10 percent of the current baseline, provide a complete analysis of the reasons for the variances, the corrective actions to be taken, and the most likely estimate at completion. Cost, Schedule and Performance variances are within 10 percent of the current baseline.

3. For mixed lifecycle or operations and maintenance investments an Operational Analysis must be performed annually. Operational analysis may identify the need to redesign or modify an asset by identifying previously undetected faults in design, construction, or installation/integration, highlighting whether actual operation and maintenance costs vary significantly from budgeted costs, or documenting that the asset is failing to meet program requirements. The details of the analysis must be available to OMB upon request. Insert the date of the most recent or planned operational analysis. 2011-04-11

4. Did the Operational analysis cover all 4 areas of analysis: Customer Results, Strategic and Business Results, Financial Performance, and Innovation? yes

Section C: Financial Management Systems

Table II.C.1: Financial Management Systems			
System(s) Name	System acronym	Type of Financial System	BY Funding

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Section D: Multi-Agency Collaboration Oversight (For Multi-Agency Collaborations only)

Table II.D.1. Customer Table:	
Customer Agency	Joint exhibit approval date
NONE	

Table II.D.2. Shared Service Providers		
Shared Service Provider (Agency)	Shared Service Asset Title	Shared Service Provider Exhibit 53 UPI (BY 2011)
*	*	*

Table II.D.3. For IT Investments, Partner Funding Strategies (\$millions):							
Partner Agency	Partner exhibit 53 UPI (BY 2012)	CY Monetary Contribution	CY “In-Kind” Contribution	CY Fee-for-Service	BY Monetary Contribution	BY “In-Kind” Contribution	BY Fee-for-Service
NONE							

Table II.D.4. Legacy Systems Being Replaced		
Name of the Legacy Investment of Systems	Current UPI	Date of the System Retirement
*	*	*

Section E: Performance Information

Table I.E.1a. Performance Metric Attributes

Measurement Area (For IT Assets)	Measurement Grouping (For IT Assets)	Measurement Indicator	Reporting Frequency	Unit of Measure	Performance Measure Direction	Baseline	Year Baseline Established for this measure (Origination Date)
Processes and Activities	Productivity	Actual software development productivity divided by the estimated productivity.	monthly	Percent	Increase	Productivity rate within 20% of planned rate for KMI software development.	2013-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2013	Productivity rate within 10% of planned rate for KMI software development.	To be determined	Not Due	2010-09-20
Processes and Activities	Productivity	Actual software development productivity divided by the estimated Program Office Estimate productivity	monthly	Percent	Increase	Productivity rate within 20% of planned rate for KMI software development	2009-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2009	Productivity rate within 10% of planned rate for KMI software development.	Software productivity met or exceeded Program Office Estimate rate.	Met	2010-09-20
Processes and Activities	Productivity	Actual software development productivity divided by the estimated Program Office Estimate productivity	monthly	Percent	Increase	Productivity rate within 20% of planned rate for KMI software development	2010-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2010	Productivity rate within 10% of planned rate for KMI software	Achieved software productivity for Spiral 1.	Met	2010-09-20

			development.				
Processes and Activities	Productivity	Actual software development productivity divided by the estimated Program Office Estimate productivity	monthly	Percent	Increase	Productivity rate within 20% of planned rate for KMI software development	2011-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2011	Productivity rate within 10% of planned rate for KMI software development.	To be determined	Not Due	2010-09-20
Processes and Activities	Productivity	Actual software development productivity divided by the estimated Program Office Estimate productivity	monthly	Percent	Increase	Productivity rate within 20% of planned rate for KMI software development	2012-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2012	Productivity rate within 10% of planned rate for KMI software development.	To be determined	Not Due	2010-09-20
Mission and Business Results	Budget and Performance Integration	Cost, Schedule and Performance monitoring by Earned Value Management	monthly	Percent	Decrease	Cost and Schedule Variances equal to or less than 10%	2009-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2009	Cost and Schedule Variances less than 10%	CPI .89, SPI .98	Met	2010-09-20
Mission and Business Results	Budget and Performance Integration	Cost, Schedule and Performance monitoring by Earned Value Management.	monthly	Date & Number	Decrease	Cost, Schedule and Performance against APB Baseline. CI-2 Cost \$294.1M.	2010-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated

			2010	Final Design Review - May 2010. CI-2 Cost \$267.4M.	Final Design Review successfully completed Feb 2010. Spiral 1 cost <\$238M	Met	2011-02-11
Mission and Business Results	Budget and Performance Integration	Cost, Schedule and Performance monitoring by Earned Value Management.	monthly	Date & Number	Decrease	Cost, Schedule and Performance against ABP Baseline. CI-2 Cost \$294.1M	2011-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2011	Milestone C - April 2011. KMI Spiral 1 Deployment - November 2011. CI-2 Cost \$267.4M	To be determined	Not Due	2010-09-20
Mission and Business Results	Budget and Performance Integration	Cost, Schedule and Performance monitoring by Earned Value Management.	monthly	Date & Number	Decrease	Cost, Schedule and Performance against ABP Baseline. CI-2 Cost \$294.1M	2012-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2012	Spiral 2, Spin 1 Deployment - June 2012. CI-2 Cost \$267.4M	To be determined	Not Due	2010-09-20
Mission and Business Results	Budget and Performance Integration	Cost, Schedule and Performance monitoring by Earned Value Management.	monthly	Date & Number	Decrease	Cost, Schedule and Performance against ABP Baseline. CI-2 Cost \$294.1M	2013-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2013	GPS Support - October 2013. CI-2 Cost \$267.4M	To be determined	Not Due	2010-09-20
Customer Results	User Requirements	Number of customer organizations participating in requirements analysis for KMI CI 2.	quarterly	Percent	Increase	90% of all KMI customer organizations participating	2009-01-01
			Fiscal Year	Target	Actual Results	Target	Last Updated

						"Met" or "Not Met"	
			2009	>90% of all KMI customer organizations participating	Successfully Satisfied, delivered Transition Plan.	Met	2010-09-20
Customer Results	User Requirements	Number of customer organizations participating in requirements analysis for KMI CI 2.	monthly	Percent	Increase	90% of all KMI customer organizations participating	2010-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2010	>90% of all KMI customer organizations participating.	Successfully satisfied. 100% of KMI customers participated in the Spiral 2 requirements analysis.	Met	2010-09-20
Customer Results	User Requirements	Number of Customer organizations participating in requirements analysis for KMI CI 3.	monthly	Percent	Increase	90% of all KMI customer organizations participating.	2013-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2013	KMI Client Nodes deployed to 50% of customers	To be determined	Not Due	2010-09-20
Customer Results	User Requirements	Number of Customer organizations participating in requirements analysis for KMI CI 3.	quarterly	Percent	Increase	90% of all KMI customer organizations participating	2011-02-22
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2012	>90% of all KMI customer organizations participating.	To be determined	Not Due	2011-02-22
Customer Results	User Requirements	Number of Customer organizations	monthly	Percent	Increase	90% of all KMI customer organizations	2012-01-01

participating in
requirements analysis
for KMI Spiral 2 Spin2.

participating.

			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2012	KMI Client Nodes deployed to 10% of customers	To be determined	Not Due	2010-09-20
Technology	Productivity	Technology Maturity Level	annual	Number	Increase	KMI Critical Technology Elements (CTEs) will achieve Technology Maturity Level 6	2009-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2009	10% of KMI Spiral 1 CTEs at or above Technology Maturity Level 6.	All Spiral 1 CTEs at Level 6 by April 2009.	Met	2010-09-20
Technology	Productivity	Technology Maturity Level	annual	Number	Increase	KMI Critical Technology Elements (CTEs) will achieve Technology Maturity Level 6.	2010-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2010	100% of KMI Spiral 1 CTEs at or above Technology Maturity Level 7.	One Spiral 1 CTE is at Level 7. The remaining two CTEs are at Level 6 and will be at Level 7 by 31 Dec 2010.	Met	2010-09-20
Technology	Productivity	Technology Maturity Level	annual	Number	Increase	KIMI Critical Technology Elements (CTEs) will achieve Technology Maturity Level 6	2011-01-01
			Fiscal Year	Target	Actual Results	Target "Met" or "Not Met"	Last Updated
			2011	100% of KMI Spiral 2 Spin 1 CTEs at or above Technology Maturity	To be determined	Not Due	2010-09-20

Technology	Productivity	Technology Maturity Level	annual	Level 6. Number	Increase	KMI Spiral 2 Critical Technology Elements (CTEs) at proper Technology Readiness Level.	2012-01-01
			Fiscal Year	Target	Actual Results	Target “Met” or “Not Met”	Last Updated
			2012	100% of KMI Spiral 2 CTEs at or above proper Technology Readiness Level.	To be determined	Not Due	2010-09-20
Technology	Productivity	Technology Maturity Level	annual	Number	Increase	KMI Spiral 2 Critical Technology Elements (CTEs) at proper Technology Readiness Level.	2013-01-01
			Fiscal Year	Target	Actual Results	Target “Met” or “Not Met”	Last Updated
			2013	100% of KMI Spiral 2 CTEs at or above proper Technology Readiness Level.	To be determined	Not Due	2010-09-20

* - Indicates data is redacted.